

**Introduced by Senator Ackerman**

February 8, 2006

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An act to amend Section 351 of the Labor Code, relating to service gratuities.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1256, as introduced, Ackerman. Service employee compensation: gratuities.

Existing law provides that a gratuity paid to a service employee by a patron is the sole property of the employee to whom it was paid, and no part of the gratuity may be taken by the employee's employer or deducted from the employee's wages.

This bill would make a technical, nonsubstantive change to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 351 of the Labor Code is amended to  
2     read:  
3     351. No employer or agent shall collect, take, or receive any  
4     gratuity or a part thereof that is paid, given to, or left for an  
5     employee by a patron, or deduct any amount from wages due an  
6     employee on account of a gratuity, or require an employee to  
7     credit the amount, or any part thereof, of a gratuity against and as  
8     a part of the wages due the employee from the employer. Every  
9     gratuity is hereby declared to be the sole property of the  
10    employee or employees to whom it was paid, given, or left ~~for~~.  
11    An employer that permits patrons to pay gratuities by credit card

1 shall pay the employees the full amount of the gratuity that the  
2 patron indicated on the credit card slip, without any deductions  
3 for any credit card payment processing fees or costs that may be  
4 charged to the employer by the credit card company. Payment of  
5 gratuities made by patrons using credit cards shall be made to the  
6 employees not later than the next regular payday following the  
7 date the patron authorized the credit card payment.

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